

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2013-90-E**

In re:	)
	)
	)
Russell C. Johnson,	)
	)
Complainant,	)
	)
v.	)
	)
Duke Energy Carolinas, LLC,	)
	)
Respondent.	)

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**DIRECT TESTIMONY OF**  
**BARBARA G. YARBROUGH**  
**ON BEHALF OF DUKE ENERGY CAROLINAS, LLC**

1    **Q.     PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2    A.     My name is Barbara G. Yarbrough. My business address is 526 South Church  
3           Street, Charlotte, North Carolina.

4    **Q.     BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5    A.     I am Rates Director for Duke Energy Carolinas, LLC (referred to hereinafter as  
6           “Duke Energy Carolinas” or the “Company”). I am responsible for assisting in  
7           the development, implementation, and proper administration of the Company’s  
8           rate schedules and service regulations, as well as administering the Rules and  
9           Regulations of the Public Service Commission of South Carolina (“PSCSC” or  
10          the “Commission”). I am also responsible for responding to customer inquiries,  
11          including those directed to the South Carolina Office of Regulatory Staff  
12          (“ORS”).

13   **Q.     PLEASE STATE BRIEFLY YOUR EDUCATION AND PROFESSIONAL**  
14       **EXPERIENCE.**

15   A.     I am a graduate of the University of North Carolina at Greensboro. I joined Duke  
16          Power Company (now known as Duke Energy Carolinas) in 1974, and since 1979  
17          I have held several positions within the Company’s Rates and Regulatory Affairs  
18          Department. I have testified before the PSCSC and the North Carolina Utilities  
19          Commission (the “NCUC”) in complaint and other proceedings.

20   **Q.     ARE YOU FAMILIAR WITH THE COMPLAINT OF RUSSELL C.**  
21       **JOHNSON?**

22   A.     Yes.

1   **Q.   WHAT IS YOUR UNDERSTANDING OF THE BASIS FOR MR.**  
2       **JOHNSON’S COMPLAINT?**

3   A.   Mr. Johnson alleges that he is not responsible for the final bill of \$1,057.15 for  
4       electric service for the account in his name at 7250 Highway 9, Inman, South  
5       Carolina.

6   **Q.   HAS DUKE ENERGY CAROLINAS INVESTIGATED MR. JOHNSON’S**  
7       **CONCERN?**

8   A.   Yes. On February 19, 2013, Mr. Johnson contacted the Company indicating that  
9       he had not applied for the service in question and was not aware that the service  
10      was in his name. Mr. Johnson contacted ORS with the same concerns and the  
11      Company began an investigation. The Company’s records show that prior to the  
12      service at 7250 Highway 9, Inman, South Carolina, the Company had received  
13      applications for service from Russell Johnson for two other locations in 2011.  
14      The first service was established at 7124 Highway 9, Inman, South Carolina on  
15      March 26, 2011, and the second at 7122 Highway 9, Inman, South Carolina.

16           According to Company records, both accounts were set up by Russell  
17      Johnson, in the name of Russell Johnson, using his social security number and  
18      date of birth, and both were listed as “d/b/a Pepperoni Pizza Express.” A little  
19      over one year later, the Company received a call from Russell Johnson requesting  
20      to transfer the service for 7122 Highway 9 to 7250 Highway 9, and this transfer  
21      was made on August 7, 2012. Although Mr. Johnson did not request any change  
22      in the service at 7124 Highway 9, another individual applied for the service to  
23      both 7122 and 7124 Highway 9, effective August 17, 2012, so the second account

1           was final billed. Both final bills were transferred to the new account at 7250  
2           Highway 9.

3   **Q.   MR. JOHNSON ALLEGES IN HIS COMPLAINT THAT THE BILL FOR**  
4           **SERVICE AT 7250 HIGHWAY 9 BELONGS TO SMOKE RESTAURANT**  
5           **GROUP. DOES THE COMPANY HAVE ANY INFORMATION TO**  
6           **SUPPORT THAT?**

7   A.   No. As I indicated, the original two services were in the name of Russell  
8           Johnson, an individual, and not a business or entity. Additionally, I have  
9           reviewed the call received on August 6, 2012, from Mr. Johnson when he called  
10          to transfer the service. The customer service representative verified the social  
11          security number for the account holder, Mr. Johnson, and worked the orders for  
12          the transfer. There is no mention of any account for Smoke Restaurant Group  
13          during this call. The service at 7250 Highway 9 continued in Mr. Johnson's name  
14          until the Company received additional calls in January 2013 from Mr. Johnson  
15          and his business partner Mr. Sean McNamara about switching names for the  
16          accounts at 7250 Highway 9 and at 125 Goodjoin Rd., Lyman, South Carolina.

17   **Q.   COULD YOU PLEASE EXPLAIN MORE ABOUT THE REQUEST TO**  
18          **SWITCH THE ACCOUNTS?**

19   A.   Yes. On January 2, 2013, Mr. McNamara called and indicated, with respect to  
20          two business accounts, that the business partnership was splitting, that each one  
21          was going to be responsible for the other location, and that as a result, he needed  
22          to swap the information around. Mr. McNamara indicated that the service in the  
23          name of Russell Johnson at 7250 Highway 9 would be going into Mr.

1       McNamara's name, and that Russell Johnson would be taking the service in Mr.  
2       McNamara's name at 125 Goodjoin Rd.

3               The representative took the order to change Mr. McNamara's account  
4       from the Goodjoin Rd location to the Highway 9 location. The representative  
5       informed Mr. McNamara that Mr. Johnson would have to call to transfer the 7250  
6       Highway 9 account in Mr. Johnson's name to the Goodjoin Rd location. Mr.  
7       McNamara indicated he would have his partner call.

8               The following day, January 3, 2013, Mr. Johnson called saying he was an  
9       investor in Smoke Restaurant Group, but that the account he was calling about  
10      was "in his name." As Mr. McNamara had indicated the day before, Mr. Johnson  
11      said he wanted to "flip-flop" the accounts, but that he wanted to put the account in  
12      his Company's name of "Russ Johnson Sales," which he acknowledged was a  
13      fairly new company. Mr. Johnson indicated that he wanted the service at 207 N  
14      Lawrence St., but Duke Energy Carolinas' records have the address listed at 125  
15      Goodjoin Rd. Mr. Johnson and the representative resolved that the building uses  
16      both addresses and that he had the correct address. The representative worked the  
17      orders to establish the service at 125 Goodjoin Rd in the name of "Russ Johnson  
18      Sales," and issued a final bill for this location to Mr. McNamara. During the  
19      conversation, Mr. Johnson asked the representative to ensure that the account at  
20      7250 Highway 9 was taken out of his name, and the representative informed Mr.  
21      Johnson that Mr. McNamara had already applied for that service. The  
22      representative further explained that service would be out of his name the next  
23      day and he would not be billed after that date for the Highway 9 location.

1           Although Mr. Johnson made a claim that he had not put the service in his name at  
2           the previous location, the call recording clearly shows that Mr. Johnson was the  
3           one who set up the account at 7250 Highway 9.

4   **Q.   MR. JOHNSON APPEARS TO STATE THAT BECAUSE HE**  
5       **ALLEGEDLY HAD NOT PAID ANY OF THE BILLS FOR THE**  
6       **ACCOUNT IN QUESTION, HE SHOULD NOT BE RESPONSIBLE FOR**  
7       **THE OUTSTANDING BILL. CAN YOU ADDRESS THAT ASSERTION?**

8   A.   Yes. The name of the customer of record is the one responsible for the bill,  
9       irrespective of who actually pays the bill. Because both Mr. McNamara and Mr.  
10      Johnson acknowledge they were partners, it is reasonable to assume that the  
11      payments could have been made by either individual, or even someone else.

12   **Q.   DO THE COMPANY'S RECORDS SHOW ANY ACCOUNTS IN THE**  
13      **NAME OF SMOKE RESTAURANT GROUP?**

14   A.   The Company's records show that on May 17, 2011, Mr. Russell Johnson made a  
15      request for service at 207 Cedar Spring Rd., Spartanburg, South Carolina in his  
16      name. That order was cancelled and a new request was made by Mr. Johnson to  
17      establish the service in the name of Smoke Restaurant Group. The account was  
18      established May 18, 2011. The Company's records show that Russell Johnson  
19      requested the service to be disconnected, and a final bill was rendered on January  
20      5, 2012, and mailed to Mr. Johnson's residential address at 987 Echo Ridge  
21      Drive, Duncan, South Carolina. The deposit and interest were applied leaving a  
22      credit balance, resulting in a refund check issued to Smoke Restaurant Group.  
23      The business at 207 Cedar Springs Rd., Spartanburg, South Carolina is the only

1 account of Duke Energy Carolinas that has ever been in the name of Smoke  
2 Restaurant Group.

3 **Q. BASED ON THE COMPANY'S INVESTIGATION, HAVE BOTH MR.**  
4 **MCNAMARA AND MR. JOHNSON'S ACCOUNTS BEEN HANDLED**  
5 **APPROPRIATELY?**

6 A. Yes, each customer is responsible for paying the bills for the account(s) in each  
7 individual's personal name.

8 **Q. WHAT IS THE COMPANY'S POSITION WITH RESPECT TO MR.**  
9 **JOHNSON'S COMPLAINT?**

10 A. Based on numerous comments made by Mr. Johnson to Duke Energy Carolinas'  
11 representatives, the Company believes that there is an underlying dispute between  
12 Mr. Johnson and Mr. McNamara which the Company believes neither it nor the  
13 Commission can resolve. The Company must hold responsible the individual or  
14 company in whose name the service is supplied, irrespective of any business  
15 arrangements between partners. The Company regrets that there is a dispute  
16 between Mr. Johnson and Mr. McNamara with respect to their business  
17 partnership, but the Company believes that those issues should be dealt with  
18 between Mr. Johnson and Mr. McNamara or through the general courts of justice.

19 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

20 A. Yes, it does.